

## TERMS AND CONDITIONS OF THE NOTES

The terms and conditions applicable to Notes linked to a single index or share (including fund units) or linked to a basket of indices or shares (including fund units) shall comprise (i) the "Terms and Conditions" set out in the Level 1 Base Prospectus and incorporated in the Level 2 Base Prospectus by reference, including, for the avoidance of doubt, the text on page 48 and 49 of the Level 1 Base Prospectus, but excluding the second paragraph of Condition 2 constituting a negative pledge (the "**Level 1 Conditions**") and (ii) the additional terms and conditions set out below (the "**Level 2 Conditions**"), in each case subject to completion and/or supplement in the applicable Final Terms. In the event of any inconsistency between the Level 1 Conditions and the Level 2 Conditions, the Level 2 Conditions shall prevail. In the event of any inconsistency between (i) the Level 1 Conditions and/or the Level 2 Conditions and (ii) the applicable Final Terms, the applicable Final Terms shall prevail. A reference to "Terms and Conditions" or "Conditions" in the Level 1 Conditions or the Level 2 Conditions shall be construed as a reference to the Level 1 Conditions or the Level 2 Conditions, as the context may require, in each case subject to completion in the applicable Final Terms.

### 1. DEFINITIONS

The following capitalised terms have the meanings respectively shown opposite them:

<b>Additional Disruption Event</b>	(i) in respect of any Index: <ul style="list-style-type: none"><li>(a) a Change of Law; and/or</li><li>(b) a Hedging Disruption, or</li></ul> (ii) in respect of any Share: <ul style="list-style-type: none"><li>(a) a Change of Law;</li><li>(b) a Hedging Disruption;</li><li>(c) an Insolvency Filing;</li><li>(d) a Fund Disruption; and/or</li><li>(e) a Share Reference Index Disruption Event; or</li></ul> in each case if specified as being applicable in the Final Terms.
<b>Alternative Exchange</b>	(i) where the Exchange is located in the United States, any of the New York Stock Exchange, the American Stock Exchange, NYSE ARCA or the NASDAQ Global Market or Global Select Market (or their respective successors); (ii) an exchange or quotation system located in the same country as the Exchange (or, where the Exchange is within the European Union, in any member state of the European Union); or (iii) on another exchange or quotation system acceptable to the Issuer.
<b>Alternative Reference Cut-Off Date</b>	the number days specified as such in the applicable Final Terms.
<b>Asian-Out Observation Dates</b>	(i) each date specified as such in the applicable Final Terms; or (ii) each date determined by the Calculation Agent in accordance with the applicable Final Terms,  provided that each such date is an Observation Date.

<b>Automatic Early Redemption Observation Date(s)</b>	<ul style="list-style-type: none"> <li>(i) if "Specified Date(s)" is specified as applicable in the applicable Final Terms, each date specified as such in the applicable Final Terms; or</li> <li>(ii) if "Specified Period(s)" is specified as applicable in the applicable Final Terms, each date occurring during the relevant Automatic Early Redemption Observation Period(s),</li> </ul> <p>provided that:</p> <ul style="list-style-type: none"> <li>(iii) each such date is an Observation Date; and</li> <li>(iv) none of such dates occurs later than the fifteenth calendar day prior to the third Business Day prior to the first following Interest Payment Date.</li> </ul>
<b>Automatic Early Redemption Observation Period(s)</b>	each period specified as such in the applicable Final Terms.
<b>Average Basket Level</b>	in respect of any time, the level of the Basket calculated by the Calculation Agent on the basis of the average levels of the respective Basket Components at such time in accordance with the Weighting specified in the applicable Final Terms for each such respective Basket Component.
<b>Basket</b>	a basket comprising the Basket Components specified as such in the applicable Final Terms.
<b>Basket Component</b>	in respect of a Basket: <ul style="list-style-type: none"> <li>(i) any Index comprised in such Basket; or</li> <li>(ii) any Share comprised in such Basket.</li> </ul>
<b>Booster Knock-Out Observation Date(s)</b>	<ul style="list-style-type: none"> <li>(i) if "Specified Date(s)" is specified as applicable in the applicable Final Terms, each date specified as such in the applicable Final Terms; or</li> <li>(ii) if "Specified Period(s)" is specified as applicable in the applicable Final Terms, each date occurring during the relevant Booster Knock-Out Observation Period(s),</li> </ul> <p>provided that each such date is an Observation Date.</p>
<b>Booster Knock-Out Observation Period(s)</b>	each period specified as such in the applicable Final Terms.
<b>Calculation Agent</b>	the entity specified as such in the applicable Final Terms or, if none is so specified, the Issuer.
<b>Change of Law</b>	on or after the Issue Date (or such other date set forth in the Final Terms) (a) due to the adoption of, or any change in, any applicable law, regulation, rule, order, ruling or procedure (including, without limitation, any tax law and any regulation, rule, order, ruling or procedure of any applicable regulatory authority, tax authority and/or any exchange) or (b) due to any change in, or introduction of, any interpretation by any court, tribunal or regulatory authority with competent jurisdiction (including, without limitation, any relevant exchange or trading facility) of any applicable law or regulation (including any action taken by a taxing authority) whether or not in effect on or after the Issue

Date, the Issuer determines that:

- (i) it has (or it expects that it will) become illegal for the Issuer or any of its Affiliates to (a) hold, acquire or dispose of any Component Security of the Index or a Share or to enter into transactions on or relating to any Component Security of the Index or a Share or (b) perform its obligations under the Notes (including, without limitation, due to any regulatory re-categorization of the Notes); or
- (ii) the Issuer or any of its Affiliates would (or would expect to) incur a materially increased cost in (a) holding, acquiring or disposing of any Component Security of the Index or a Share, as the case may be, (b) maintaining, entering into or unwinding any Hedging Arrangement and/or (c) performing its obligations under the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on its tax position).

<b>Common Scheduled Trading Day</b>	in respect of a Basket, each day which is a Scheduled Trading Day for all the Basket Components in the Basket.
<b>Component Security</b>	in respect of an Index, any shares, equity options or other component comprised in such Index. If the Index itself comprises or includes one or more other Indices, " <b>Component</b> " shall be read and construed as the relevant underlying shares, equity options or other components.
<b>Coupon Barrier</b>	the level specified as such in the applicable Final Terms.
<b>Conditional Coupon Observation Date(s)</b>	<ul style="list-style-type: none"><li>(i) if "Specified Date(s)" is specified as applicable in the applicable Final Terms, each date specified as such in the applicable Final Terms; or</li><li>(ii) if "Specified Period(s)" is specified as applicable in the applicable Final Terms, each date occurring during the relevant Conditional Coupon Observation Period(s),</li></ul> provided that each such date is an Observation Date.
<b>Conditional Coupon Observation Period(s)</b>	each period specified as such in the applicable Final Terms.
<b>Conditions</b>	the Level 1 Conditions and/or the Level 2 Conditions, as the context may require.
<b>Date</b>	any Asian-Out Observation Date, Automatic Early Redemption Observation Date, Booster Knock-Out Observation Date, Conditional Coupon Observation Date, Reverse Exchange Observation Date, Final Valuation Date, Initial Valuation Date or Premium Knock-Out Observation Date, as the case may be.
<b>De-listing</b>	in respect of any Share, the Exchange announces that pursuant to the rules of such Exchange, such Share cease (or will cease) to be listed, traded or publicly quoted on such Exchange for any reason (other than a Merger Event or Tender Offer) and are not immediately re-listed, re-traded or re-quoted on Alternative Exchange.

<b>Disrupted Day</b>	in respect of the Index or Share, any Scheduled Trading Day on which (i) the relevant Index Sponsor fails to publish the Index Level of the Index, (ii) the relevant Exchange fails to open for trading during its regular trading session, (iii) any Related Exchange fails to open for trading during its regular trading session or (iv) on which a Market Disruption Event has occurred.
<b>Early Closure</b>	the closure on any Exchange Business Day of any relevant Exchange or any Related Exchange prior to its Scheduled Closing Time unless such earlier closing time is announced by such Exchange(s) or such Related Exchange(s) at least one hour prior to the earlier of (i) the actual closing time for the regular trading session on such Exchange(s) or such Related Exchange(s) on such Exchange Business Day and (ii) the submission deadline for orders to be entered into the relevant Exchange(s) or such Related Exchange(s) system(s) for execution at the Valuation Time on such Exchange Business Day.
<b>Exchange</b>	<p>(i) in respect of a Share or Index, the "Exchange" specified in the applicable Final terms; or</p> <p>(ii) if no such specification is made and in respect of any securities comprising an Index, the stock exchanges (from time to time) on which, in the determination of the Issuer, such Share or securities are listed,</p> <p>or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in such Share or such securities has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such Share or securities on such successor or substitute exchange or quotation system as on the original Exchange).</p>
<b>Exchange Business Days</b>	any Scheduled Trading Day on which the relevant Exchange and each Related Exchange are open for trading during their respective regular trading sessions, notwithstanding the relevant Exchange or any relevant Related Exchange closing prior to its Scheduled Closing Time.
<b>Exchange Disruption</b>	<p>in respect of any Index or Share, any event (other than an Early Closure) that disrupts or impairs (as determined by the Calculation Agent) the ability of market participants in general or the Issuer specifically:</p> <p>(i) to effect transactions in, or obtain market values for:</p> <p style="margin-left: 40px;">(a) if the Share is listed on a single or on multiple exchanges, or if the securities comprised in the relevant Index are listed on multiple Exchanges, any such Share or securities comprised in the Index on such single or any relevant Exchange; and</p> <p style="margin-left: 40px;">(b) if the securities comprised in the relevant Index are listed on a single Exchange, securities that comprise 20 per cent. or more of the level of the relevant Index on the relevant Exchange; or</p> <p>(ii) to effect transactions in, or obtain market values for, futures or options contracts relating to such Index (or any securities comprised in such Index) or such Share, as the</p>

case may be, on any relevant Related Exchange.

**Final Reference Level**

- (i) the Reference Level determined by the Calculation Agent at the Scheduled Closing Time on the Final Valuation Date; or
- (ii) if "Asian-Out" is specified as being "Applicable" in the applicable Final Terms, the arithmetic mean of the Reference Levels determined by the Calculation Agent at the Scheduled Closing Time on each of the Asian-Out Observation Dates in accordance with the applicable Final Terms.

**Final Valuation Date**

the date specified as such in the applicable Final Terms provided that such date is an Observation Date.

**Fund**

the exchange traded fund specified as such in the applicable Final Terms.

**Fund Disruption**

the Issuer may, in its own discretion, determine that a Fund Disruption has occurred, if any of the following events should occur following the Issue Date specified in the applicable Final Terms in respect of any Share in a Fund:

- (i) the Net Asset Value ("NAV") in respect of such Fund is not calculated and not published on such a day or in such a way as stated (if applicable) in the provisions for such Fund and the terms of such Fund and its Fund Manager's operations;
- (ii) the occurrence of any event or circumstance affecting such Fund or the fund units which has (or may potentially have) a negative effect on the value of the Fund or the fund units;
- (iii) such Fund or its Fund Manager refuses subscription or redemption (in whole or partially) of fund units of such Fund on such a day when subscription or redemption should be possible in accordance with Fund Rules and in accordance with the terms of the Funds operation;
- (iv) the proceeds that such Fund pays out as a result of a redemption consists of assets other than cash;
- (v) such Fund or its Fund Manager restricts the ability to subscribe for or redeem fund units, introduces or amends fees or any additional taxes or other charges arises in connection with subscription or redemption after the Issue Date specified in the applicable Final Terms;
- (vi) a material change of the units of such Fund occurs, which includes expropriation or similar event, such event resulting in the assets being transferred to or taken over by an authority or similar institution or organisation, or by other instruction from an authority or similar institution or organisation, which has a negative effect on the value of the fund units;
- (vii) such Fund or its Fund Manager is liquidated, is otherwise terminated or becomes insolvent, or negotiations are initiated in regard to declaring either such Fund or its Fund

Manager bankrupt, either such Fund or its Fund Manager seeks or becomes subject to winding up, seeks the appointment of an administrator, makes a composition or is subject to any similar event and the Calculation Agent, acting in its sole and absolute discretion, determines that no Substitute Share Issuer exists;

- (viii) such Fund or its Fund Manager merges with or into or becomes subject to sale (in whole or partially);
- (ix) such Fund or its Fund Manager breaches or modifies any terms applicable to the Fund's operations or Fund Rules in a manner that is, in the determination of the Calculation Agent, material;
- (x) such Fund or its Fund Manager breaches any agreements to which it is party or any court order or governmental order;
- (xi) any change in law, regulation or other set of rules (including tax legislation and accounting rules), or resolution is passed by governmental agency, court or other body which has a negative impact on such Fund or its Fund Manager or the Issuer's possibilities to subscribe for the units;
- (xii) such Fund, its Fund Manager, the administrator, the account operator or the board of directors becomes subject to investigation, lawsuit or similar action by an authority or other due to breach of relevant legislation or other rules applicable to such Fund, its Fund Manager, the administrator, the account operator or the board of directors or the relevant license for any of these is withdrawn;
- (xiii) the Fund Manager of such Fund, the administrator, the account operator or the board of directors are replaced;
- (xiv) any conversion of such Fund's units into other fund units;
- (xv) any compulsory transfer or redemption of such Fund's units occur;
- (xvi) such Fund experience difficulties, or is not able, to carry out investments;
- (xvii) any change of the derivative instruments of such Fund which has a negative effect on the value of the fund units or the possibility of the fund to admit redemption;
- (xviii) such Fund, its Fund Manager or the administrator fails to provide such information within such grace period as such Fund, its Fund Manager or the administrator has undertaken to provide information to any investor;
- (xix) a material change in the formula for or the method of calculating the NAV in respect of such Fund (other than a modification prescribed in that formula or method to maintain such Share Issuer or Substitute Share Issuer in the event of changes in constituent securities and capitalisation and other routine events); or

- (xx) any other event or circumstance occurs which, as determined by the Issuer, has a negative effect on the application of the Conditions of the Notes,

unless any such event categorises as a De-listing, an Insolvency, an Insolvency Filing, a Merger Event, a Nationalisation or a Tender Offer, in which case such event shall categorise as such and not as a Fund Disruption as well.

**Fund Rules**

the terms of the by-laws, objects, constitution, conditions and other associated documentation relating to such Share Issuer and any other rules or regulations relating to such Share Issuer and the relevant Share (including any prospectus in respect thereof) existing on the Issue Date, including its investment guidelines and restrictions.

**Fund Manager**

in respect of a Fund, any person who is appointed to provide services, directly or indirectly, for that Fund, whether or not specified under law or the constitutive and governing documents, subscription agreements and other agreements, applicable to that Fund, including any fund adviser, fund administrator, operator, management company, depository, custodian, sub-custodian, prime broker, administrator, trustee, registrar and transfer agent, domiciliary agent and any other person specified as such in the applicable Final Terms.

**Gearing**

the multiple or fraction specified as such in the applicable Final Terms. The value of the Gearing may be lower than, equal to or higher than 1 (one) or 100% but not lower than or equal to 0 (zero) or 0%.

**Hedging Arrangement**

any hedging arrangements entered into by the Issuer and/or its Affiliates at any time with respect to the Notes, including, without limitation, the entry into of any transaction(s) and/or the purchase and/or sale of the Share or any Component Security of the Index or any other asset(s) to hedge the equity price risk of entering into and performing the obligations of the Issuer under the Notes and any associated foreign exchange transactions.

**Hedging Disruption**

the Issuer and/or its Affiliates is/are unable, after using commercially reasonable efforts, to:

- (i) hold, acquire, re-establish, substitute, maintain, unwind or dispose of the Share or any Component Securities of the Index and/or any Hedging Arrangement; and/or
- (ii) realise, recover or remit the proceeds of the Share or any Component Securities of the Index and/or any Hedging Arrangement.

**Index**

- (i) in the case where "Single Reference Asset Level" is specified as the applicable Reference Level in the applicable Final Terms, the index specified as "Index" in the applicable Final Terms, or
- (ii) in the case where "Average Basket Level" or "Worst Performer of Basket" is specified as the applicable Reference Level, any of the indices specified as being a component of the Basket specified in the applicable Final Terms and in such case a reference to "Index" shall be read as a reference to "Basket Component".

<b>Index Cancellation</b>	in respect of an Index, the Index Sponsor cancels the Index and no Successor Index exists.
<b>Index Disruption</b>	in respect of any Index, the Index Sponsor fails to calculate and announce the Index Level.
<b>Index Level</b>	in respect of any Index, on any relevant time, the level of such Index at such time, as calculated and published by the Index Sponsor.
<b>Index Modification</b>	in respect of an Index, the Index Sponsor announces that it will make (in the opinion of the Issuer) a material change in the formula for or the method of calculating the Index or in any other way materially modifies the Index (other than a modification prescribed in that formula or method to maintain the Index in the event of changes in constituent securities and capitalisation and other routine events).
<b>Index Sponsor</b>	<p>unless otherwise specified in the applicable Final Terms, the corporation or entity as determined by the Calculation Agent that:</p> <ul style="list-style-type: none"> <li>(i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Index; and</li> <li>(ii) announces (directly or through an agent) the level of the Index on a regular basis during each Scheduled Trading Day,</li> </ul> <p>failing whom such person acceptable to the Calculation Agent who calculates and announces the Index or any agent or person acting on behalf of such person.</p>
<b>Initial Reference Level(s)</b>	<p>the level or price of each relevant Index or Share:</p> <ul style="list-style-type: none"> <li>(i) specified as such in the applicable Final Terms; or</li> <li>(ii) determined by the Calculation Agent on the Valuation Time on the Initial Valuation Date specified in the applicable Final Terms.</li> </ul>
<b>Initial Valuation Date</b>	the date specified as such in the applicable Final Terms provided that such date is an Observation Date.
<b>Insolvency</b>	<p>in respect of a Share Issuer, that by reason of the voluntary or involuntary liquidation, bankruptcy, insolvency, dissolution or winding-up of or any analogous proceeding affecting such Share Issuer:</p> <ul style="list-style-type: none"> <li>(i) all the Shares of such Share Issuer are required to be transferred to a trustee, liquidator or other similar official; or</li> <li>(ii) holders of the Shares of such Share Issuer become legally prohibited from selling or transferring them.</li> </ul>
<b>Insolvency Filing</b>	(i) with respect to any Share other than a unit in a Fund, that the Calculation Agent determines that the Share Issuer of such Share has instituted or has had instituted against it



by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition; or

- (ii) with respect to any Share that is a unit in a Fund, that the Calculation Agent determines that the Share Issuer of such Share or any Fund Manager in respect of such Fund, which, in the determination of the Calculation Agent, has a substantial connection with, and/or substantial influence on the operation of, the Share Issuer of such Share has instituted or has had instituted against it by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, or it consents to a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official or it consents to such a petition.

**Interest Payment Date(s)**

each date specified as such in the applicable Final Terms.

**Market Disruption Event**

in respect of the Index or Share, the occurrence or existence on any Scheduled Trading Day of:

- (i) a Trading Disruption;
- (ii) an Exchange Disruption,

which in either case the Calculation Agent determines in its sole discretion is material, at any time during the one-hour period that ends at the relevant Valuation Time; or

- (iii) an Early Closure,

provided that in case of an Index, if the securities comprised in the Index are listed on multiple Exchanges, the securities comprised in the Index in respect of which an Early Closure, an Exchange Disruption and/or a Trading Disruption occurs or exists amount, in the determination of the Issuer, in aggregate to 20 per cent. or more of the level of the Index.

For the purpose of determining whether a Market Disruption Event exists at any time in respect of a security included in the Index at any time, then the relevant percentage contribution of that security to the level of such Index shall be based on a comparison of (x) the portion of the Index Level of the Index attributable to that security and (y) the overall level of such Index, in each case immediately before the occurrence of such Market Disruption Event, as determined by the Calculation Agent.

**Maximum Redemption Amount**

the amount specified in the applicable Final Terms.

**Merger Date**

the closing date of a Merger Event or, where a closing date cannot be determined under the local law applicable to such Merger Event, such other date as determined by the Calculation Agent.

**Merger Event**

means, in respect of one or more Share(s), any:

- (i) reclassification or change of such Share(s), that results in a transfer of or an irrevocable commitment to transfer all of such Share(s), outstanding to another entity or person;
- (ii) consolidation, amalgamation, merger or binding share exchange of the relevant Share Issuer with or into another entity or person (other than a consolidation, amalgamation, merger or binding share exchange in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all of such Share(s) outstanding);
- (iii) takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person to purchase or otherwise obtain 100 per cent. of the outstanding Share(s) of the relevant Share Issuer that results in a transfer of or an irrevocable commitment to transfer all such Share(s), (other than the Share(s) owned or controlled by such other entity or person); or
- (iv) consolidation, amalgamation, merger or binding share exchange of the relevant Share Issuer or its subsidiaries with or into another entity in which such Share Issuer is the continuing entity and which does not result in a reclassification or change of all the Share(s) outstanding, but results in the outstanding Share(s) (other than Share(s) owned or controlled by such other entity) immediately prior to such event collectively representing less than 50 per cent. of the outstanding Share(s) immediately following such event (a "**Reverse Merger**"),

in each case where the Merger Date is on or before the Maturity Date.

**Minimal Redemption Amount**

the amount specified in the applicable Final Terms.

**Nationalisation**

that all or a substantial portion of the Shares of a Share Issuer or all or substantially all the assets of a Share Issuer are nationalised, expropriated or otherwise required to be transferred to any governmental agency, authority, entity or instrumentality thereof.

**New Shares**

ordinary or common shares, whether of the entity or person (other than the relevant Share Issuer) involved in the Merger Event or a third party, that are, or that as of the Merger Date are promptly scheduled to be:

- (i) publicly quoted, traded or listed on an Alternative Exchange; and
- (ii) not subject to any currency exchange controls, trading restrictions or other trading limitations.

**Number of Extension Business Days**

if "Interest Payment Date Extension" or "Maturity Date Extension" is specified in the applicable Final Terms as being "Applicable", the Number of Extension Business Days is as specified in the applicable Final Terms, or, if not specified, is:

- (i) in respect of a Maturity Date Extension, the number of Business Days that the Scheduled Maturity Date falls after the Scheduled Reference Date falling immediately prior to the Scheduled Maturity Date; or
- (ii) in respect of an Interest Payment Date Extension, the number of Business Days that the Scheduled Interest Payment Date falls after the Scheduled Reference Date, falling immediately prior to the relevant Scheduled Interest Payment Date.

**Observation Dates**

in respect of any Index or Share, either:

- (i) in the case where (a) "Single Reference Asset Level" is specified as the applicable Reference Level in the applicable Final Terms or (b) "Average Basket Level" or "Worst Performer of Basket" is specified as the applicable Reference Level in the applicable Final Terms and "Common Scheduled Trading Days" is specified therein as "Not Applicable":

a Scheduled Trading Day in respect of such Index or Share and otherwise the Observation Date shall be the immediately following Scheduled Trading Day; or

- (ii) in the case where the applicable Final Terms provide that "Common Scheduled Trading Days" shall be "Applicable":

a Common Scheduled Trading Day and otherwise the Observation Date shall be the immediately following Common Scheduled Trading Day,

provided further that, if any such date under (i) or (ii) above (following any adjustment (if applicable)) is a Disrupted Day, the Observation Date shall be determined in accordance with the provisions of Condition 11 (*Disrupted Days*).

**Other Consideration**

cash and/or any securities (other than New Shares) or assets (whether of the entity or person (other than the relevant Share Issuer) involved in the Merger Event or a third party).

**Period**

any Automatic Early Redemption Observation Period, Booster Knock-Out Observation Period(s), Conditional Coupon Observation Period(s), Reverse Exchange Observation Period(s) or Premium Knock-Out Observation Period(s).

**Potential Adjustment Event**

in respect of any Share, any of the following:

- (i) a subdivision, consolidation or reclassification of one or more of such Shares (unless resulting in a Merger Event), or a free distribution or dividend of any of such Shares to existing holders by way of bonus, capitalisation or similar issue;
- (ii) a distribution, issue or dividend to existing holders of one

or more of the Shares of:

- (a) such Shares;
  - (b) other share capital or securities granting the right to payment of dividends and/or the proceeds of liquidation of the relevant Share Issuer equally or proportionately with such payments to holders of such Shares;
  - (c) share capital or other securities of another issuer acquired or owned (directly or indirectly) by the relevant Share Issuer as a result of a spin-off or other similar transaction; or
  - (d) any other type of securities, rights or warrants or other assets, in any case for payment (cash or other consideration) at less than the prevailing market price as determined by the Calculation Agent;
- (iii) an amount per Share is determined by the Issuer to be an extraordinary dividend;
  - (iv) a call by a Share Issuer in respect of relevant Shares, that are not fully paid;
  - (v) a repurchase by a Share Issuer or any of its subsidiaries of relevant Shares, whether out of profits or capital and whether the consideration for such repurchase is cash, securities or otherwise;
  - (vi) with respect to a Share Issuer, an event that results in any shareholder rights pursuant to a shareholder rights plan or arrangement directed against hostile takeovers that provides upon the occurrence of certain events for a distribution of preferred stock, warrants, debt instruments or stock rights at a price below their market value (as determined by the Calculation Agent) being distributed or becoming separated from shares of common stock or other shares of the capital stock of such Share Issuer (provided that any adjustment effected as a result of such an event shall be readjusted upon any redemption of such rights); or
  - (vii) any other event that may have a diluting or concentrative effect on the theoretical value of one or more of such Shares.

**Product Parameter**

Trigger Level, Coupon Barrier, Date, Final Redemption Amount, Final Reference Level, Gearing, Initial Reference Level, Premium Knock-Out Barrier, Maximum Redemption Amount, Minimal Redemption Amount, Period, Specified Denomination, Redemption Barrier, Reference Level, Premium Amount, Strike Level and/or Valuation Time.

**Premium Amount**

the amount specified in the applicable Final Terms.

**Premium Knock-Out Barrier**

the level specified as such in the applicable Final Terms.

**Premium Knock-Out Observation Date(s)**

- (i) if "Specified Date(s)" is specified as applicable in the applicable Final Terms, each date specified as such in the

applicable Final Terms; or

- (ii) if "Specified Period(s)" is specified as applicable in the applicable Final Terms, each date occurring during the relevant Premium Knock-Out Observation Period(s),

provided that each such date is an Observation Date.

**Premium Knock-Out Observation Period(s)** each period specified as such in the applicable Final Terms.

**Price** in respect of any Share on any Exchange Business Day, the bid price of the Share quoted on the relevant Exchange on such Exchange Business Day.

**Redemption Barrier** the level specified as such in the applicable Final Terms.

**Reference Cut-Off Date** (i) in respect of any Scheduled Reference Date relating to an Interest Payment Date, and:

- (a) where Interest Payment Date Extension is specified in the applicable Final Terms as being "Applicable":

- (A) in the case where "Average Basket Level" or "Worst Performer of Basket" is specified as the applicable Reference Level in the applicable Final Terms and "Common Scheduled Trading Days" and "Common Disrupted Days" are both specified therein as being "Applicable", the eighth (or such other number specified in the applicable Final Terms as "Alternative Reference Cut-Off Date") Common Scheduled Trading Day following such Scheduled Reference Date; or

- (B) in any other case, the eighth (or such other number specified in the applicable Final Terms as "Alternative Reference Cut-Off Date") Scheduled Trading Day following such Scheduled Reference Date; or

- (b) where Interest Payment Date Extension is specified in the applicable Final Terms as being "Not Applicable", the earlier of (A) the date that would be determined in accordance with paragraph (i)(a) above, and (B) the last Scheduled Trading Day that falls no later than the second (or such other number specified in the applicable Final Terms as "Alternative Reference Cut-Off Date") Business Day immediately preceding such Interest Payment Date; and

(ii) in respect of any Scheduled Reference Date relating to the Maturity Date, and:

- (a) where Maturity Date Extension is specified in the applicable Final Terms as being "Applicable":

- (A) in the case where "Average Basket Level" or "Worst Performer of Basket" is specified as the applicable Reference Level in the applicable Final Terms and "Common Scheduled

Trading Days" and "Common Disrupted Days" are both specified therein as being "Applicable", the eighth (or such other number specified in the applicable Final Terms as "Alternative Reference Cut-Off Date") Common Scheduled Trading Day following such Scheduled Reference Date; or

(B) in any other case, the eighth (or such other number specified in the applicable Final Terms as "Alternative Reference Cut-Off Date") Scheduled Trading Day following such Scheduled Reference Date; or

(b) where Maturity Date Extension is specified in the applicable Final Terms as being "Not Applicable", the earlier of (A) the date that would be determined in accordance with paragraph (ii)(a) above, and (B) the last Scheduled Trading Day that falls no later than the second (or such other number specified in the applicable Final Terms as "Alternative Reference Cut-Off Date") Business Day immediately preceding the Maturity Date.

**Reference Date** each Date, in each case, for the avoidance of doubt, subject to adjustment in accordance with Condition 11 (*Disrupted Days*) or Condition 12 (*Date Extensions*).

**Reference Level** (i) Single Reference Asset Level;  
(ii) Average Basket Level; or  
(iii) Worst Performer of Basket,  
as specified in the applicable Final Terms.

**Related Exchange** in respect of the Index or Share:  
(i) each exchange or quotation system where trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to such Index or Share; or  
(ii) such other options or futures exchange(s) as the Issuer may select, any transferee exchange or quotation system or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to such Index or Share on such temporary substitute exchange or quotation system as on the original Related Exchange).

**Reverse Exchange Observation Date(s)** (i) if "Specified Date(s)" is specified as applicable in the applicable Final Terms, each date specified as such in the applicable Final Terms; or  
(ii) if "Specified Period(s)" is specified as applicable in the applicable Final Terms, each date occurring during the

	relevant Reverse Exchange Observation Period(s), provided that each such date is an Observation Date.
<b>Reverse Exchange Observation Period(s)</b>	each period specified as such in the applicable Final Terms.
<b>Scheduled Reference Date</b>	an original date (following any adjustment (if applicable) pursuant to paragraph (i) or (ii) in the definition of "Observation Date") that, but for such day being a Disrupted Day, would have been an Observation Date.
<b>Scheduled Closing Time</b>	in respect of the Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday closing time of the Exchange or Related Exchange on such Scheduled Trading Day, without regard to after hours or any other trading outside of the regular trading session hours.
<b>Scheduled Opening Time</b>	in respect of the Exchange or Related Exchange and a Scheduled Trading Day, the scheduled weekday opening time of the Exchange or Related Exchange on such Scheduled Trading Day, without regard to any trading outside of the regular trading session hours.
<b>Scheduled Trading Day</b>	<ul style="list-style-type: none"> <li>(i) in respect of any Index, any day on which the Index Sponsor is scheduled to publish the level of the Index and any day on which the relevant Exchange and each Related Exchange is scheduled to be open for trading for its regular trading session; or</li> <li>(ii) in respect of any Share, any day on which the relevant Exchange and each relevant Related Exchange is scheduled to be open for trading for its regular trading sessions.</li> </ul>
<b>Share</b>	<ul style="list-style-type: none"> <li>(i) in the case where "Single Reference Asset Level" is specified as the applicable Reference Level in the applicable Final Terms, the share (including a fund unit) specified as "Share" or "Unit" in the applicable Final Terms; or</li> <li>(ii) in the case where "Average Basket Level" or "Worst Performer of Basket" is specified as being applicable in the applicable Final terms, the share (including a fund unit) specified as "Share" or "Unit" in the applicable Final Terms as being a Basket Component and in such case a reference to "Share" shall be read as a reference to "Basket Component".</li> </ul>
<b>Share Issuer(s)</b>	has the meaning as specified in the applicable Final Terms and a reference to Share Issuer includes the associated Fund where the context so requires.
<b>Single Reference Asset Level</b>	the level of the Index or Share specified in the applicable Final Terms as the "Reference Asset".
<b>Share Reference Index</b>	<p>in respect of any Share which is a Fund:</p> <ul style="list-style-type: none"> <li>(i) the index tracked by such Share and/or the Share Issuer of such Share on the Issue Date; or</li> <li>(ii) the index as specified in the applicable Final Terms.</li> </ul>

<b>Share Reference Index Cancellation</b>	the Share Reference Index Sponsor cancels the Share Reference Index in respect of such Share, and no Successor Share Reference Index exists.
<b>Share Reference Index Disruption</b>	in respect of any Share, the Share Reference Index Sponsor fails to calculate and announce the level of the Share Reference Index in respect of such Share.
<b>Share Reference Index Disruption Event</b>	<ul style="list-style-type: none"> <li>(i) a Share Reference Index Cancellation;</li> <li>(ii) Share Reference Index Disruption; and/or</li> <li>(iii) Share Reference Index Modification.</li> </ul>
<b>Share Reference Index Exchange</b>	in respect of any security comprised in the Share Reference Index, any stock exchange (from time to time) on which, in the determination of the Issuer, such security is listed for the purposes of such Share Reference Index or any successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in any such security comprised in the Share Reference Index has temporarily been relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to such security on such successor or substitute exchange or quotation system as on the original Share Reference Index Exchange).
<b>Share Reference Index Modification</b>	in respect of any Share, the Share Reference Index Sponsor with respect to the Share Reference Index in respect of such Share, announces that it will make or has made (in the opinion of the Issuer) a material change in the formula for or the method of calculating the level of such Share Reference Index or in any other way materially modifies such Share Reference Index (other than a modification prescribed in that formula or method to maintain such Share Reference Index in the event of changes in constituent securities and capitalisation and other routine events).
<b>Share Reference Index Related Exchange</b>	in respect of any Share Reference Index, each exchange or quotation system as the Calculation Agent determines on which trading has a material effect (as determined by the Calculation Agent) on the overall market for futures or options contracts relating to the Share Reference Index, or such other options or futures exchange(s) as the Issuer may select, any transferee or successor to any such exchange or quotation system or any substitute exchange or quotation system to which trading in futures or options contracts relating to the Share Reference Index has temporarily relocated (provided that the Calculation Agent has determined that there is comparable liquidity relative to the futures or options contracts relating to the Share Reference Index on such temporary substitute exchange or quotation system as on the original Share Reference Index Related Exchange).
<b>Share Reference Index Scheduled Trading Day</b>	in respect of any Share, any day on which with respect to such Share the Share Reference Index Sponsor is scheduled to publish the level of the Share Reference Index and any day on which the Share Reference Index Exchange and each Share Reference Index Related Exchange is scheduled to be open for trading for its regular trading session.
<b>Share Reference Index Sponsor</b>	the corporation or other entity as determined by the Calculation Agent that:



- (i) is responsible for setting and reviewing the rules and procedures and the methods of calculation and adjustments, if any, related to the Share Reference Index in respect of such Share; and
- (ii) announces (directly or through an agent) the level of such Share Reference Index on a regular basis during each Share Reference Index Scheduled Trading Day, failing whom such person acceptable to the Calculation Agent who calculates and announces the Share Reference Index or any agent or person acting on behalf of such person

**Strike Level**

the level specified as such in the applicable Final Terms.

**Substitute Share Issuer**

in respect of any Share, a successor or substitute fund which in the reasonable opinion of the Calculation Agent has a similar risk profile and investment objective to the Share Issuer of such Share.

**Successor Index**

where the Index is (i) not calculated and announced by the Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent or (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Index, such successor index or index calculated and announced by the successor sponsor.

**Successor Share Reference Index**

in respect of any Share, where the Share Reference Index is:

- (i) not calculated and announced by the Share Reference Index Sponsor but is calculated and announced by a successor sponsor acceptable to the Calculation Agent; or
- (ii) replaced by a successor index using, in the determination of the Calculation Agent, the same or a substantially similar formula for and method of calculation as used in the calculation of the Share Reference Index,

such successor index or index calculated and announced by the successor sponsor.

**Tender Offer**

in respect of any Share, a takeover offer, tender offer, exchange offer, solicitation, proposal or other event by any entity or person that results in such entity or person purchasing, or otherwise obtaining or having the right to obtain, by conversion or other means, greater than 10 per cent. and less than 100 per cent. of the outstanding voting shares of such Share Issuer, as determined by the Calculation Agent, based upon the making of filings with governmental or self-regulatory agencies or such other information as the Calculation Agent deems relevant.

**Tender Offer Date**

in respect of a Tender Offer, the date on which voting shares in an amount determined by the Calculation Agent are actually purchased or otherwise obtained (as determined by the Calculation Agent).

**Trading Disruption**

in respect of an Index or Share, any suspension of or limitation imposed on trading by an Exchange or a Related Exchange or otherwise and whether by reason of movements in price exceed-

ing limits permitted by the relevant Exchange or the relevant Related Exchange or otherwise:

- (i) relating to such Share on such Exchange;
- (ii) if the securities comprised in the Index are listed on multiple Exchanges, on any relevant Exchange(s) relating to any security comprised in such Index or, if the securities comprised in the Index are listed on a single Exchange, on the Exchange relating securities that comprise 20 per cent. or more of the level of the Index; or
- (iii) in futures or options contracts relating to such Index or Share on a Related Exchange.

**Trigger Level**

the level specified as such in the applicable Final Terms.

**Valuation Time**

- (i) if "End of Day" is specified as being "Applicable" in the applicable Final Terms, in respect of any date, the Scheduled Closing Time of the Exchange on such date; or
- (ii) if "Intra-Day" is specified as being "Applicable" in the applicable Final Terms, on a continuous intra-day basis from the Scheduled Opening Time until the Scheduled Closing Time on the relevant date, on a continuous basis or at the times specified in the applicable Final Terms.

If the Exchange closes prior to its Scheduled Closing Time, and the specified Valuation Time is after the actual closing time for its regular trading session, then (subject to Condition 11 (*Disrupted Days*)) the Valuation Time shall be such actual closing time.

**Weighting**

in respect of any Index or Share, the weight specified as the weighting in respect of such Index in the applicable Final Terms.

**Worst Performer of Basket**

in respect of the Basket specified in the applicable Final Terms and in respect of any time, the Index or Share that has the lowest value relative to its Initial Reference Level at such time.

**2. CONDITIONAL COUPON**

- a) If "Conditional Coupon" is specified as being "Applicable" in the applicable Final Terms, Condition 5(a) (*Interest on Fixed Rate Notes*) applies, except that if at the (or any) Valuation Time on the (or any) Conditional Coupon Observation Date(s) any Conditional Coupon Event has occurred the Fixed Rate(s) of Interest, Fixed Coupon Amount or Broken Amount, as the case may be, shall be zero for the entire Fixed Interest Period during which the Conditional Coupon Event occurred, unless:

- i) "Memory" is specified as being "Applicable" in the applicable Final Terms; and
- ii) a Conditional Coupon Event has not occurred during any subsequent Fixed Interest Period,

in which case on the Interest Payment Date of such Fixed Interest Period, the amount of interest to be paid shall be increased by the sum of the amounts of interest that would, but for the occurrence of a Conditional Coupon Event, have been payable during any and all prior Fixed Interest Periods unless, in order to prevent duplication, such amounts had become due and payable after such prior Fixed Interest Periods.

- b) A "Conditional Coupon Event" shall mean:

**Reference Level < Coupon Barrier.**

- c) Each of:
  - i) the determination of whether or not interest shall be payable under this Condition 2; and
  - ii) if interest is payable according to the Calculation Agent, the calculation of the amount of such interest,

shall be made by the Calculation Agent on the basis of the formulae stated in this Condition 2 ultimately on the first Business Day following:

  - iii) each Conditional Coupon Observation Date in respect of the determination of whether or not on such date a Conditional Coupon Event has occurred; and
  - iv) each last Conditional Coupon Observation Date during the relevant Conditional Coupon Observation Period in respect of the calculation of the interest amount (if any).

### 3. AUTOMATIC EARLY REDEMPTION

- a) If "Automatic Early Redemption" is specified as being "Applicable" in the applicable Final Terms, Condition 7 (*Redemption and Purchase*) applies, except that, unless previously redeemed or purchased and cancelled under the Conditions, if at the (or any) Valuation Time on the (or any) Automatic Early Redemption Observation Date(s) an Automatic Early Redemption Event has occurred each Note will be redeemed by the Issuer at its Specified Denomination in the relevant Specified Currency on the next following Interest Payment Date, unless the Automatic Early Redemption Event occurred during the last Fixed Interest Period, in which case Condition 7 (*Redemption and Purchase*) applies.
- b) An "Automatic Early Redemption Event" shall mean:

~~Reference Level  $\geq$  Trigger Level.~~

- c) The determination of whether or not an Automatic Early Redemption Event has occurred on any Automatic Early Redemption Observation Date shall be made by the Calculation Agent on the basis of the formula stated in this Condition 3 ultimately on the first Business Day following each Automatic Early Redemption Observation Date.

### 4. REVERSE EXCHANGEABLE

- a) If "Reverse Exchangeable" is specified as being "Applicable" in the applicable Final Terms, Condition 7 (*Redemption and Purchase*) applies, except that, unless previously redeemed or purchased and cancelled under the Conditions, each Note will be redeemed by the Issuer on the Maturity Date in the relevant Specified Currency at:

- i) if a Reverse Exchange Event **has not** occurred at the (or any) Valuation Time on the (or any) Reverse Exchange Observation Date(s):

its Specified Denomination;

- ii) if a Reverse Exchange Event **has** occurred at the (or any) Valuation Time on the (or any) Reverse Exchange Observation Date(s):

an amount which is equal to the lowest of:

(1) its Specified Denomination; and

(2) ~~Specified Denomination  $\times$   $\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$~~ ; or

- b) "Reverse Exchange Event" shall mean:

~~Reference Level  $\leq$  Redemption Barrier.~~

- c) Each of:

- i) the determination of whether or not a Reverse Exchange Event has occurred; and
- ii) if a Reverse Exchange Event has occurred according to the Calculation Agent, the calculation of the Final Redemption Amount,

shall be made by the Calculation Agent on the basis of the formulae stated in this Condition 4 ultimately on the first Business Day following:

- iii) each Reverse Exchange Observation Date in respect of the determination of whether or not on such date a Reverse Exchange Event has occurred;
- iv) the Final Valuation Date in respect of the calculation of the Final Redemption Amount if "Asian-Out" is not specified as being "Applicable" in the applicable Final Terms or, if it is, if the last Asian-Out Observation Date occurs prior to, or simultaneously with, the Final Valuation Date; and
- v) the last Asian-Out Observation Date in respect of the calculation of the Final Redemption Amount if "Asian-Out" is specified as being "Applicable" in the applicable Final Terms and such Asian-Out Observation Date occurs after the Final Valuation Date.

## 5. PARTICIPATION

- a) If "Participation" is specified as being "Applicable" in the applicable Final Terms, Condition 7 (*Redemption and Purchase*) applies, except that, unless previously redeemed or purchased and cancelled under the Conditions, each Note will be redeemed by the Issuer on the Maturity Date in the relevant Specified Currency at the:

- i) if at the Scheduled Closing Time on the Final Valuation Date the Final Reference Level is **equal to or higher than** the Strike Level:

the lowest of:

(1) ~~Minimum Redemption Amount – Specified Denomination × Gearing~~ ×  $\left( \frac{\text{Final Reference Level} - \text{Strike Level}}{\text{Initial Reference Level}} \right)$ ; and

(2) Maximum Redemption Amount, if specified in the applicable Final Terms; or

- ii) if at the Scheduled Closing Time on the Final Valuation Date the Final Reference Level is **lower than** the Strike Level:

Minimum Redemption Amount.

- b) Each of:

- i) the determination of whether or not the Final Reference Level is either (a) equal to or higher than the Strike Level or (b) lower than the Strike Level; and
- ii) if the Final Reference Level is equal to or higher than the Strike Level according to the Calculation Agent, the calculation of the Final Redemption Amount due under this Condition 5,

shall be made by the Calculation Agent on the basis of the formulae stated in this Condition 5 ultimately on the first Business Day following:

- iii) the Final Valuation Date in respect of the determination of whether the Final Reference Level is either (a) equal to or higher than or (b) lower than the Strike Level;
- iv) the Final Valuation Date in respect of the calculation of the Final Redemption Amount if "Asian-Out" is not specified as being "Applicable" in the applicable Final Terms or, if it is, if the last Asian-Out Observation Date occurs prior to, or simultaneously with, the Final Valuation Date; and
- v) the last Asian-Out Observation Date in respect of the calculation of the Final Redemption Amount if "Asian-Out" is specified as being "Applicable" in the applicable Final Terms and such Asian-Out Observation Date occurs after the Final Valuation Date.

## 6. PREMIUM KNOCK-OUT

a) If "Premium Knock-Out" is specified as being "Applicable" in the applicable Final Terms, Condition 7 (*Redemption and Purchase*) applies, except that, unless previously redeemed or purchased and cancelled under the Conditions, each Note will be redeemed by the Issuer on the Maturity Date in the relevant Specified Currency at:

i) if a Premium Knock-Out Event **has not** occurred at the (or any) Valuation Time on the (or any) Premium Knock-Out Observation Date(s):

the lowest of the:

(1) Maximum Redemption Amount, if specified in the applicable Final Terms; and

(2) the highest of the:

(a) **Specified Denomination + Premium Amount**; and

(b) **Specified Denomination**  $\times \frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$ ; or

ii) if a Premium Knock-Out Event **has** occurred at the (or any) Valuation Time on the (or any) Premium Knock-Out Observation Date(s):

the lowest of the:

(1) Maximum Redemption Amount, if specified in the applicable Final Terms; and

(2) **Specified Denomination**  $\times \frac{\text{Final Reference Level}}{\text{Initial Reference Level}}$ .

b) "Premium Knock-Out Event" shall mean:

**Reference Level < Premium Knock-Out Barrier.**

c) Each of:

i) the determination of whether or not a Premium Knock-Out Event has occurred or not; and

ii) the calculation of the Final Redemption Amount due under this Condition 6,

shall be made by the Calculation Agent on the basis of the formulae stated in this Condition 6 ultimately on the first Business Day following:

iii) each Premium Knock-Out Observation Date in respect of the determination of whether on such date a Premium Knock-Out Event has occurred;

iv) the Final Valuation Date in respect of the calculation of the Final Redemption Amount if "Asian-Out" is not specified as being "Applicable" in the applicable Final Terms or, if it is, if the last Asian-Out Observation Date occurs prior to, or simultaneously with, the Final Valuation Date; and

v) the last Asian-Out Observation Date in respect of the calculation of the Final Redemption Amount if "Asian-Out" is specified as being "Applicable" in the applicable Final Terms and such Asian-Out Observation Date occurs after the Final Valuation Date.

## 7. BOOSTER KNOCK-OUT

a) If "Booster Knock-Out" is specified as being "Applicable" in the applicable Final Terms, Condition 7 (*Redemption and Purchase*) applies, except that, unless previously redeemed or purchased and cancelled under the Conditions, each Note will be redeemed by the Issuer on the Maturity Date in the relevant Specified Currency at:

- i) if at the Scheduled Closing Time on the Final Valuation Date the Final Reference Level is **equal to or higher than** the Strike Level:

the lowest of the:

- (1) **Specified Denomination + Specified Denomination × Gearing ×  $\left(\frac{\text{Final Reference Level} - \text{Strike Level}}{\text{Initial Reference Level}}\right)$** ; and
- (2) Maximum Redemption Amount, if specified in the applicable Final Terms; or

- ii) if at the Scheduled Closing Time on the Final Valuation Date the Final Reference Level is **lower than** the Strike Level:

- (1) if a Booster Knock-Out Event **has** occurred at the (or any) Valuation Time on the (or any) Booster Knock-Out Observation Date(s):

**Specified Denomination ×  $\left(\frac{\text{Final Reference Level}}{\text{Initial Reference Level}}\right)$** ; or

- (2) if a Booster Knock-Out Event **has not** occurred at the (or any) Valuation Time on the (or any) Booster Knock-Out Observation Date(s):

Specified Denomination.

- b) "**Booster Knock-Out Event**" shall mean:

**Reference Level < Redemption Barrier.**

- c) Each of:

- i) the determination of whether or not the Final Reference Level is either (a) equal to or higher than or (b) lower than the Strike Level;
- ii) the determination of whether or not a Booster Knock-Out Event has occurred; and
- iii) the calculation of the Final Redemption Amount due under this Condition 7,

shall be made by the Calculation Agent on the basis of the formulae stated in this Condition 7 ultimately on the first Business Day following:

- iv) the Final Valuation Date in respect of the determination of whether the Final Reference Level is either (a) equal to or higher than or (b) lower than the Strike Level;
- v) each Booster Knock-Out Observation Date in respect of the determination of whether or not on such date a Booster Knock-Out Event has occurred;
- vi) the Final Valuation Date in respect of the calculation of the Final Redemption Amount if "Asian-Out" is not specified as being "Applicable" in the applicable Final Terms or, if it is, if the last Asian-Out Observation Date occurs prior to, or simultaneously with, the Final Valuation Date; or
- vii) the last Asian-Out Observation Date in respect of the calculation of the Final Redemption Amount if "Asian-Out" is specified as being "Applicable" in the applicable Final Terms and such Asian-Out Observation Date occurs after the Final Valuation Date.

## 8. BOOSTER

- a) If "Booster" is specified as being "Applicable" in the applicable Final Terms, Condition 7 (*Redemption and Purchase*) applies, except that, unless previously redeemed or purchased and cancelled under the Conditions, each Note will be redeemed by the Issuer on the Maturity Date in the relevant Specified Currency at:

- i) if at the Scheduled Closing Time on the Final Valuation Date the Final Reference Level is **equal to or higher than** the Strike Level:

the lowest of the:

(1) **Specified Denomination** | **Specified Denomination** × **Gearing** ×  $\left( \frac{\text{Final Reference Level} - \text{Strike Level}}{\text{Initial Reference Level}} \right)$ ; and

(2) Maximum Redemption Amount, if specified in the applicable Final Terms; or

ii) if at the Scheduled Closing Time on the Final Valuation Date the Final Reference Level is **lower than** the Strike Level the:

**Specified Denomination** ×  $\left( \frac{\text{Final Reference Level}}{\text{Initial Reference Level}} \right)$ .

b) Each of:

i) the determination of whether or not the Final Reference Level is either (a) equal to or higher than the Strike Level or (b) lower than the Strike Level; and

ii) if the Final Reference Level is equal to or higher than the Strike Level according to the Calculation Agent, the calculation of the Final Redemption Amount due under this Condition 8,

shall be made by the Calculation Agent on the basis of the formulae stated in this Condition 8 ultimately on the first Business Day following:

iii) the Final Valuation Date in respect of the determination of whether the Final Reference Level is either (a) equal to or higher than or (b) lower than the Strike Level;

iv) the Final Valuation Date in respect of the calculation of the Final Redemption Amount if "Asian-Out" is not specified as being "Applicable" in the applicable Final Terms or, if it is, if the last Asian-Out Observation Date occurs prior to, or simultaneously with, the Final Valuation Date; and

v) the last Asian-Out Observation Date in respect of the calculation of the Final Redemption Amount if "Asian-Out" is specified as being "Applicable" in the applicable Final Terms and such Asian-Out Observation Date occurs after the Final Valuation Date.

## 9. NOTICE OF DETERMINATIONS AND CALCULATIONS

a) Unless the Issuer is the Calculation Agent, the Calculation Agent shall notify the Issuer of each of the determinations and calculations made by it ultimately on the first Business Day following the date on which the Calculation Agent shall make such determination or calculation under these Level 2 Conditions.

b) The Issuer shall give notice to the holders of the Notes of each determination and calculation either (a) made by it under Level 2 Conditions 2, 3, 4, 5, 6, 7 or 8, or (b) notified to it under this Level 2 Condition 9, ultimately on:

i) the second Business Day after the Issuer has made such determination or calculation; or

ii) the first Business Day following the date on which such determination or calculation was notified to it.

c) If an Automatic Early Redemption Event occurred before the last Fixed Interest Period, the Issuer shall give notice of the early redemption date to the holders of the Notes on the fifteenth calendar day prior to:

i) the second Business Day after the Issuer has determined that the Automatic Early Redemption Event has occurred; or

ii) the first Business Day following the date on which the Calculation Agent has notified the Issuer that the Automatic Early Redemption Event has occurred,

unless such date is not a Business Day, in which case the Issuer shall give such notice the next following Business Day.

d) Subject to the rules and regulations of the platform on which the Notes may be admitted to trading at the request

of the Issuer, it shall give each notice referred to under paragraph b) or c) of this Condition 9 by publication on:

- i) the following website: [www.kempenvaluations.com](http://www.kempenvaluations.com); and/or
  - ii) the website specified in the applicable Final Terms; and/or
  - iii) any successor website of which the Issuer gives notice in accordance with Condition 14 (*Notices*),
- or, in each case, on such website or any page thereof as indicated on any website set out above.

For the avoidance of doubt and subject to aforesaid rules and regulations if applicable, the Issuer shall not be required to give any notice referred to under paragraph b) or c) of this Condition 9 in accordance with Condition 14 (*Notices*).

## 10. ADJUSTMENTS

### a) Adjustments and Early Redemption

- i) In the case of any Index, if the Calculation Agent determines that, in respect of such Index, any Additional Disruption Event, Index Modification, Index Cancellation and/or Index Disruption and/or any other event or events occur which the Calculation Agent determines necessitate(s) an adjustment or adjustments to any one or more Product Parameter and/or any other relevant term of the Notes (including, the amount of interest payable, if any) (each such other event, a "**Relevant Event**"), the Issuer, at its discretion, may:
  - (1) make any adjustment or adjustments to any one or more Product Parameters and/or any one or more other terms and/or conditions of the Notes (including the amount of interest payable, if any) as it deems necessary with an aim of neutralising the distorting effects of such events; and/or
  - (2) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the occurrence of such Additional Disruption Event, Index Modification, Index Cancellation Index Disruption and/or Relevant Event applicable, less, unless "Adjustment for Early Redemption Unwind Costs" is specified as being "Not Applicable" in the applicable Final Terms, the cost to the Issuer (or any of its Affiliates) of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer (or any of its Affiliates) in respect of any such Hedging Arrangement.
- ii) In the case of any Share, if the Calculation Agent determines that, in respect of such Share, any Potential Adjustment Event has occurred or that there has been an adjustment to the settlement terms of listed contracts on such Share traded on a Related Exchange, the Calculation Agent will determine whether such Potential Adjustment Event or adjustment has a diluting or concentrative effect on the theoretical value of such Share and, if so, may:
  - (1) make the corresponding adjustment or adjustments, if any, to any one or more Product Parameters and/or any one or more other terms and/or conditions of the Notes (including the amount of interest payable, if any) as it determines appropriate to account for such dilutive or concentrative effect (provided that no adjustments will be made to account solely for changes in volatility, expected dividend, stock loan rate or liquidity relevant to the Share or to the Notes), and determine the effective date(s) of the adjustment(s); and/or
  - (2) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the occurrence of such Potential Adjustment Event less, unless "Adjustment for Early Redemption Unwind Costs" is specified as being "Not Applicable" in the applicable Final Terms, the cost to the Issuer (or any of its Affiliates) of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer (or any of its Affiliates) in respect of any such Hedging Arrangement.

The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Potential Adjustment Event or adjustment to settlement terms made by an options exchange to options on a Share traded on that options exchange.

### b) Consequences of a Merger Event in respect of any Share



If the Calculation Agent determines that a Merger Event has occurred in respect of any Share, the Issuer may:

- i) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the Merger Date less, unless "Unwind Costs" are specified as being "Not Applicable" in the applicable Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangement; and/or
- ii) make such adjustment to any one or more Product Parameters and/or any one or more other terms and/or conditions of the Notes (including the amount of interest payable, if any) as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Merger Event (provided that no adjustments will be made to solely account for changes in volatility, expected dividends, stock loan rate or liquidity relevant to the Share or to the Notes) and determine the effective date of that adjustment; and/or
- iii) save in respect of a Reverse Merger, on or after the relevant Merger Date, deem the New Shares and/or the amount of Other Consideration, if applicable (as subsequently modified in accordance with any relevant terms and including the proceeds of any redemption, if applicable), and their issuer (if any) to be the "Shares" and the "Share Issuer", respectively.

The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Merger Event made by an options exchange to options on a Share traded on that options exchange.

- c) Consequences of a Tender Offer in respect of any Share
- d) If the Calculation Agent determines that a Tender Offer has occurred in respect of any Share, then on or after the relevant Tender Offer Date, the Issuer may:
  - i) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the Tender Offer Date less, unless "Unwind Costs" are specified as being "Not Applicable" in the applicable Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangement; and/or
  - ii) make such adjustment to any one or more Product Parameters and/or any one or more other terms and/or conditions of the Notes (including the amount of interest payable, if any) as the Calculation Agent determines appropriate to account for the economic effect on the Notes of such Tender Offer (provided that no adjustments will be made to account solely for changes in volatility or liquidity relevant to the Share or to the Notes) and determine the effective date of that adjustment.

The Calculation Agent may (but need not) determine the appropriate adjustment by reference to the adjustment in respect of such Tender Offer made by an options exchange to options on a Share traded on that options exchange.

- e) Nationalisation, Insolvency or De-listing in respect of any Share

If in respect of any Share, the Calculation Agent determines that there has been a Nationalisation, an Insolvency or a De-listing in respect of the Share or the Share Issuer, the Issuer may:

- i) request the Calculation Agent to determine the appropriate adjustment, if any, to be made to any one or more Product Parameters and/or any one or more other terms and/or conditions of the Notes (including the amount of interest payable, if any) to account for the Nationalisation, Insolvency or De-listing, as the case may be, and determine the effective date of that adjustment; or
- ii) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the Nationalisation, Insolvency or De-listing less, unless "Unwind Costs" are specified as being "Not Applicable" in the applicable Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangement.

- f) Change of Exchange

If the Exchange is changed, the Issuer may make such consequential modifications to any one or more Product Parameters and/or any one or more other terms and/or conditions of the Notes (including the amount of interest pay-

able, if any) as it may deem necessary in accordance with an aim of neutralising the distorting effects of such event.

g) Level or price correction

In the event that any level or price published on any relevant Exchange or by any relevant Index Sponsor in respect of an Index and which is utilised for any calculation or determination made under the Notes is subsequently corrected and the correction is published by the Exchange or the relevant Index Sponsor within three Business Days (or such other Index Correction Period specified in the Final Terms) after the original publication, the Calculation Agent will determine the amount (if any) that is payable following that correction, and, to the extent necessary, the Issuer will adjust the terms and conditions of the Notes to account for such correction.

h) Currency

If the Calculation Agent determines that any event occurs affecting the Specified Currency or, in respect of any Share, the currency in which such Share is quoted, listed and/or dealt in on the Exchange (whether relating to its convertibility into other currencies or otherwise) which the Calculation Agent determines necessitates an adjustment or adjustments to any one or more Product Parameters and/or any one or more other terms and/or conditions of the Notes (including the amount of interest payable, if any), the Issuer may make such adjustment or adjustments to any one or more Product Parameters and/or any one or more other terms and/or conditions of the Notes (including the amount of interest payable, if any) as it deems necessary with an aim of neutralising the distorting effects of such events.

i) Additional Disruption Events in respect of any Share

If the Calculation Agent determines that an Additional Disruption Event has occurred in respect of any Share, the Issuer may:

- i) make any adjustment or adjustments to any one or more Product Parameters and/or any one or more other terms and/or conditions of the Notes (including the amount of interest payable, if any) as the Calculation Agent determines appropriate, and determine the effective date of such adjustment; and/or
- ii) redeem each Note at its fair market value (as determined by the Calculation Agent) as at the date of redemption taking into account the Additional Disruption Event less, unless "Unwind Costs" are specified as being "Not Applicable" in the applicable Final Terms, the cost to the Issuer of amending or liquidating any Hedging Arrangement, together with any costs, expenses, fees or taxes incurred by the Issuer in respect of any such Hedging Arrangement.

j) Notices

The Issuer shall give notice to the holders of the Notes of any adjustment or early redemption made under this Condition 10 in accordance with Condition 14 (*Notices*) and, unless the Issuer is the Calculation Agent, the Calculation Agent shall give notice to the Issuer of any such adjustment or early redemption.

## 11. DISRUPTED DAYS

- i) Where "Single Reference Asset Level" is specified as the applicable Reference Level in the applicable Final Terms, if the Calculation Agent determines that any Scheduled Reference Date is a Disrupted Day, then the Reference Date shall be the earlier of (i) the first Scheduled Trading Day following the Scheduled Reference Date that is not a Disrupted Day and (ii) the Reference Cut-Off Date.
- ii) Where "Average Basket Level" or "Worst Performer of Basket" is specified as the applicable Reference Level in the applicable Final Terms and "Common Scheduled Trading Days" is specified therein as "Not Applicable", if the Calculation Agent determines that any Scheduled Reference Date is a Disrupted Day, then:
  - (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
  - (2) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each an "**Affected Basket Component**") shall be the earlier of (A) the first Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of

such Affected Basket Component and (B) the Reference Cut-Off Date for such Affected Basket Component.

- iii) Where "Average Basket Level" or "Worst Performer of Basket" is specified as the applicable Reference Level in the applicable Final Terms and "Common Scheduled Trading Days" is specified therein as "Applicable", if the Calculation Agent determines that any Scheduled Reference Date is a Disrupted Day, then:
  - (1) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is not a Disrupted Day shall be the Scheduled Reference Date for such Basket Component; and
  - (2) the Reference Date for each Basket Component in respect of which the Scheduled Reference Date is a Disrupted Day (each, an "**Affected Basket Component**") shall be the earlier of (A) the first succeeding Scheduled Trading Day following the relevant Scheduled Reference Date that is not a Disrupted Day in respect of such Affected Basket Component and (B) the Reference Cut-Off Date for such Affected Basket Component (notwithstanding that such day may not be a Common Scheduled Trading Day).
- iv) Where "Average Basket Level" or "Worst Performer of Basket" is specified as the applicable Reference Level in the applicable Final Terms and "Common Scheduled Trading Days" and "Common Disrupted Days" shall both be "Applicable" are both specified therein as "Applicable", if the Calculation Agent determines that any Scheduled Reference Date is a Disrupted Day, then the Reference Date for each Basket Component shall be the earlier of (i) the first Common Scheduled Trading Day following the Scheduled Reference Date that is not a Disrupted Day for any Basket Component and (ii) the Reference Cut-Off Date (notwithstanding that such day may not be a Common Scheduled Trading Day).
- v) If, in respect of any Index or Share, a Reference Date falls on the relevant Reference Cut-Off Date pursuant to Condition 10(i) through 10(iv) above:
  - (1) if such Reference Cut-Off Date is not a Disrupted Day for such Index or Share, the Calculation Agent shall determine the Index Level of such Index or the Price of the Share at the Valuation Time on such Reference Cut-Off Date; and/or
  - (2) if such Reference Cut-Off Date is a Disrupted Day for such Index or Share, the Calculation Agent shall determine the Index Level of such Index or Affected Basket Component, or Price of such Share, as the case may be, at the Valuation Time on the Reference Cut-Off Date:
    - (a) in the case of an Index, in accordance with the formula for the method of calculating the Index Level of such Index or Affected Basket Component, as the case may be, last in effect prior to the occurrence of the first Disrupted Day using the Exchange traded or quoted values as the Valuation Time on the Reference Cut-Off Date of each security comprised in such Index, or Affected Index Basket Company, as the case may be (or if the Calculation Agent determines that an event giving rise to a Disrupted Day has occurred in respect of the relevant security on the Reference Cut-Off Date, its good faith estimate of the value of the relevant security as of the Valuation Time on the Reference Cut-Off Date); or
    - (b) in the case of a Share, as its good faith estimate of the price of such Share that would have prevailed at such time; and/or
  - (3) the Issuer may make any adjustment or adjustments to the Product Parameters and/or any other relevant term of the Notes (including the amount of interest payable, if any) as it deems necessary.

If the Issuer is not the Calculation Agent, the Calculation Agent shall give notice as soon as practicable to the Issuer of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Reference Date and the Issuer shall give such notice as soon as practicable to the Noteholders in accordance with Condition 14 (*Notices*) and otherwise, if the Issuer is the Calculation Agent, the Issuer shall give notice as soon as practicable to the Noteholders of the occurrence of a Disrupted Day on any day that, but for the occurrence of a Disrupted Day, would have been a Reference Date in accordance with Condition 14 (*Notices*). Without limiting the obligation of the Calculation Agent to give notice to the Noteholders as set forth in the preceding sentence, failure by the Calculation Agent to notify the Noteholders of the occurrence of a Disrupted Day shall not affect the validity of the occurrence and effect of such Disrupted Day.

## 12. DATE EXTENSIONS

### i) Maturity Date Extension

If "Maturity Date Extension" is specified in the applicable Final Terms as being "Applicable", the Maturity Date shall be the later of (i) the date specified as the Maturity Date in the applicable Final Terms (the "**Scheduled Maturity Date**") and (ii) the day falling the Number of Extension Business Days after the final Reference Date in respect of which the Final Redemption Amount is determined. If any amount is payable on the redemption of a Note to which Maturity Date Extension applies, and the relevant Maturity Date is postponed pursuant to a Maturity Date Extension, such amount will be due on the relevant date as so postponed without any interest or other sum payable in respect of the postponement of the payment of such amount.

### ii) Interest Payment Date Extension

If "Interest Payment Date Extension" is specified in the applicable Final Terms as being "Applicable", each Interest Payment Date shall be the later of (i) the date specified as such Interest Payment Date in the applicable Final Terms (the "**Scheduled Interest Payment Date**") and (ii) the day falling the Number of Extension Business Days after the final Reference Date in respect of which the Rate of Interest is determined for such Interest Payment Date. If any amount is payable on an Interest Payment Date in respect of a Note to which Interest Payment Date Extension applies, and such Interest Payment Date is postponed pursuant to an Interest Payment Date Extension, such amount will be due on the Interest Payment Date as so postponed without any interest or other sum payable in respect of the postponement of the payment of such amount.

### iii) Notice

If "Maturity Date Extension" or "Interest Payment Date Extension" is specified in the applicable Final Terms as being "Applicable", and:

- (1) in case of Maturity Date Extension, the Maturity Date shall occur after the Scheduled Maturity Date; or
- (2) in case of Interest Payment Date Extension, the Interest Payment Date shall occur after the Scheduled Interest Payment Date,

the Issuer shall at least five Business Days prior to the Scheduled Maturity Date or Scheduled Interest Payment Date, as the case may be, give notice to the holders of the Notes of the extension of the Scheduled Maturity Date or the Scheduled Interest Payment Date, as the case may be, in each case in accordance with Condition 14 (*Notices*).

## 13. INDEX DISCLAIMER

The Notes are not sponsored, endorsed, sold or promoted by any of the Indices or any of the Index Sponsors and none of the Index Sponsors has made any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the relevant Index and/or the levels at which any such Index stands at any particular time on any particular date or otherwise. None of the Index Sponsors shall be liable (whether in negligence or otherwise) to any person for any error in any relevant Index and none of the Index Sponsors are under any obligation to advise any person of any error therein. The Index Sponsors have made no representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the Issuer nor the Calculation Agent shall have any liability to any person for any act or failure to act by any Index Sponsor in connection with the calculation, adjustment or maintenance of any Index. Neither the Issuer nor the Calculation Agent has any affiliation with or control over any of the Indices or any of the Index Sponsors or any control over the computation, composition or dissemination of the Indices. Although the Issuer and the Calculation Agent will obtain information concerning the Indices from publicly available sources they believe to be reliable, they will not independently verify this information.

## 14. CALCULATION AGENT

- a) The Calculation Agent shall not assume any obligations towards or relationship of agency or trust for or with any of the owners or holders of such Note or the receipts or coupons (if any) appertaining thereto.
- b) The Calculation Agent, and any of its affiliates, officers, directors, controlling persons and employees, may become the owner of, or acquire any interest in, any Notes, receipts or coupons (if any) appertaining thereto with the same rights that it, she or he would have if the Calculation Agent were not appointed in respect of any Note, and

may engage or be interested in any financial or other transaction with the Issuer without being liable to account to the Noteholder or Couponholders for any resulting profit and may act on, or as depositary, trustee or agent for, any committee or body of holders of Notes or Coupons (if any) or in connection with any other obligations of the Issuer as freely as if the Calculation Agent were not appointed in respect of any Note.